

**CITY OF SEATTLE**  
**ORDINANCE** \_\_\_\_\_  
**COUNCIL BILL** \_\_\_\_\_

AN ORDINANCE establishing a five-year SoDo (South of Downtown) Parking and Business Improvement Area; levying special assessments upon owners of property within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers Advisory Board; providing for an implementation agreement with a Program Manager; and ratifying and confirming certain acts related thereto.

WHEREAS, RCW 35.87A authorizes the City to establish business improvement areas to provide special benefits to business and property owners within a defined geographic area through the imposition of special assessments; and

WHEREAS, at least 60 percent of the businesses and mixed-use properties located within the area that are subject to the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a new SoDo Parking and Business Improvement Area (SoDo BIA) pursuant to RCW 35.87A, a copy of which is filed in C.F. 313179; and

WHEREAS, the City Council adopted Resolution 31469, initiating a Parking and Business Improvement Area via the Resolution method as provided for by RCW 35.87A.030; and

WHEREAS, pursuant to RCW 35.87A.040, the City Council adopted on August 12, 2013, Resolution 31470 titled 'A Resolution of intention to establish a five-year SoDo (South of Downtown) Parking and Business Improvement Area and fixing a date and place for a hearing thereon;' and

WHEREAS, the purpose of the SoDo BIA is to enhance conditions for the operation of those businesses and mixed-use properties by performing activities that go beyond the basic services provided by The City of Seattle; and

WHEREAS, as provided by Resolution 31470, the City Council, through its Government Performance and Finance Committee held a public hearing on September 4, 2013, at 9:30 a.m., in City Council Chambers, 600 Fourth Avenue, Seattle, WA, and the testimony received at that hearing resulted in the Council determining that establishing the new SoDo BIA is in the best interest of the businesses and mixed-use properties within the SoDo BIA's boundaries; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

**Section 1. Area Established.** As authorized by Chapter 35.87A RCW, there is hereby established a SoDo (South of Downtown) Parking and Business Improvement Area (“SoDo BIA”), within the following boundaries as shown on the map attached as Exhibit A (when a street or alley is named, the area boundary is the centerline of the right-of-way including vacated portions unless otherwise specified in the description):

From the intersection of South Atlantic Street and Colorado Avenue South, proceed south along Colorado Avenue South to the southwest corner of property parcel number 766207050; then proceed east along the south line of property parcel number 766207050 to Utah Avenue South; then proceed south along Utah Avenue South to South Walker Street; then proceed southwest along the northwest line of property parcel number 7666207214 to Colorado Avenue South; then proceed south on Colorado Avenue South to South Hanford Street; then proceed east along South Hanford Street to 1<sup>st</sup> Avenue South; then proceed south along 1<sup>st</sup> Avenue South to South Spokane Street; then proceed east along South Spokane Street to 2<sup>nd</sup> Avenue South; then proceed south along 2<sup>nd</sup> Avenue South to South Dakota Street; then proceed west along South Dakota Street to 1st Avenue South; then proceed south along 1st Avenue South to Diagonal Way South; then proceed northeast along Diagonal Way South to 2nd Avenue South; then proceed south along 2nd Avenue South to the Railroad Right-of-Way; then proceed southeast along the Railroad Right-of-Way to the southwest corner of property parcel number 2024049006; then proceed east along the south line of property parcel number 2024049006 to 6<sup>th</sup> Avenue South; then proceed north along 6<sup>th</sup> Avenue South, crossing over South Spokane Street, continuing on 6<sup>th</sup> Avenue South to the north line of property parcel number 7666203810; then proceed east along the north line of property parcel number 7666203810 to the property parcel number

7666203850; then proceed north along the northwest line of property parcel number 7666203850 to where its northwest corner abuts the property parcel number 7666203785; then proceed east along the north line of property parcel number 7666203850 to 8<sup>th</sup> Avenue South; then proceed south along 8<sup>th</sup> Avenue South to Airport Way South; then proceed northeast along Airport Way South to South Horton Street; then proceed east along South Horton Street to Interstate-5; then proceed north along Interstate-5 to South Massachusetts Street (includes full property parcel number 7666202860 in the northeast corner); then proceed west along South Massachusetts Street to 6<sup>th</sup> Avenue South; then proceed north along 6<sup>th</sup> Avenue South to the northeast corner of property parcel number 7666204640; then proceed east along the north property line of property number 7666204640 to the northwest corner of this property; then proceed south along the northwest line of property parcel number 7666204640 to the point where it lines up to the west with the north line of property parcel number 7666204625; then proceed west, crossing over 5<sup>th</sup> Avenue South, and continuing along the north line of property parcel number 7666204625 to 4<sup>th</sup> Avenue South; then proceed south along 4<sup>th</sup> Avenue South to the north line of property parcel number 7666204990; then proceed west along the north line of property parcel number 7666204990 to 3<sup>rd</sup> Avenue South; then proceed south along 3<sup>rd</sup> Avenue South to South Holgate Street; then proceed west along South Holgate Street to Occidental Avenue South; then proceed north along Occidental Avenue South to South Atlantic Street; then proceed west along South Atlantic Street to Colorado Avenue South.

In case of a conflict between the description of the area and the map, the description shall control.

**Section 2.** Programs. Special Assessment revenues shall be used for the following component programs:

1. Advocacy
2. Security
3. Cleaning
4. Transportation
5. Marketing
6. Business Development
7. Communications and Networking

The listing of services is illustrative and not exclusive. All such services are supplemental to street maintenance and law enforcement provided by the City and are not intended to displace any services regularly provided by the City.

**Section 3.** Levy of Special Assessments. To finance the programs authorized in Section 2, there is levied upon and shall be collected from the owners of property located within the boundaries of the SoDo BIA described in Section 1, a special assessment. Ratepayers will be assessed by the City in five annual installments to be billed semi-annually beginning with the base year of the authorization (2014), by applying an assessment rate to each Ratepayer as described below:

- A. In 2014 and 2015, the assessment rate on each property within the SoDo BIA will be \$0.50 per \$1,000 of total taxable value based on 2013 King County records;

1 B. In 2016, 2017, and 2018, the assessment rate will be \$0.50 per \$1,000 of total taxable  
2 value based on 2015 King Country records;

3 C. Property owned and operated by a governmental organization and public utilities will  
4 not be assessed.  
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6 **Section 4. Rate Changes.** Changes in the assessment rate other than those described in  
7 Section 3 shall only be made by ordinance and as authorized in RCW 35.87A.140 with the  
8 approval of the Ratepayers Advisory Board and shall not occur more than one time per year.  
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10 **Section 5. Collection Schedule.** Special assessments shall be collected on a semi-annual  
11 basis. The Director of Finance and Administrative Services ("Director") or the Director's  
12 designee may change the billing frequency by directive to an interval no less frequent than  
13 quarterly. A copy of a directive issued under this Section shall be mailed to all Ratepayers not  
14 less than 90 days before the new billing due date is to take effect.  
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17 **Section 6. Deposit of Revenues.** The Director will create, in the City Treasury's  
18 Business Improvement Area Fund, a separate subaccount designated the SoDo BIA Account  
19 (called "the Account"). The following monies shall be deposited in the Account:  
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- 21 A. All revenues from special assessments levied under this ordinance;
- 22 B. All income to the City from public events financed with special assessments;
- 23 C. Gifts and donations;
- 24 D. Interest and all other income from the investment of Account deposits;
- 25 E. Restitution moneys for expenditures made from the Account; and  
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F. Reimbursements due to the Account.

**Section 7. Delinquent Payments.** If an assessment has not been paid within 30 days after its due date, the Director shall send a reminder notice and add a \$5 processing fee. If the assessment is not paid within 60 days after its due date, a delinquency charge shall be added in the amount of ten percent of the assessment. All assessments that are not paid within 60 days of the due date shall also bear interest from the due date at 12 percent per annum. The Director is authorized to refer any unpaid assessments to a collection agency or to bring an action to collect any unpaid assessments in any court of competent jurisdiction in King County.

**Section 8. Notices.** Notices of assessment, installment payments, or delinquency, and all other notices contemplated by this ordinance may be sent by ordinary mail or delivered by the City to the address shown on the records of the Director, and, if no address is shown there, to the address shown on the records of the County Assessor. Failure of the Ratepayer to receive any mailed notice shall not release the Ratepayer from the duty to pay the assessment on the due date and any interest and delinquency charges.

**Section 9. Disputes.** Any Ratepayer aggrieved by the amount of an assessment or delinquency charge may on request obtain a meeting with the Director or the Director's designee. If not satisfied, the Ratepayer may appeal the matter to the City's Hearing Examiner in the manner provided for a contested case under Chapter 3.02 of the Seattle Municipal Code. The Ratepayer has the burden of proof to show that the assessment or delinquency charge is incorrect.

1           **Section 10.** Audit. The City may conduct random audits of Ratepayers to ensure that  
2 assessments are being properly calculated and reported.

3           **Section 11.** Expenditures. Expenditures from the Account shall be made upon demand  
4 and presentation of documentation of allowable expenses to the Director by the Program  
5 Manager and shall be used exclusively for the services as defined in Section 2, including the  
6 reimbursement of costs reasonably incurred for the benefit of the SoDo BIA by the Ratepayers or  
7 the Program Manager in the formation and creation of the SoDo BIA and its initial work  
8 program.  
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11           **Section 12.** Ratepayers Advisory Board. The Director shall appoint an interim  
12 Ratepayers Advisory Board comprised of Ratepayers from the SoDo BIA within 30 days of the  
13 effective date of this ordinance. The Director shall solicit recommendations from the  
14 Ratepayers, and shall appoint the interim board from that list. The interim Ratepayers Advisory  
15 Board will recommend a permanent Ratepayers Advisory Board (the "Board") within 90 days of  
16 the effective date of this ordinance. The composition of the Board shall be representative of the  
17 varying sizes, and locations, and types of property owners and businesses within the geographic  
18 area of the SoDo BIA. The Director shall appoint the permanent Board members from the list  
19 recommended by the interim Ratepayers Advisory Board. The Director may appoint additional  
20 members to the Board beyond those recommended by the interim Ratepayers Advisory Board to  
21 ensure a broad representation of Ratepayers, provided that the additional members so appointed  
22 do not exceed one-third of the entire membership of the Board.  
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1 The Ratepayers Advisory Board shall be responsible for adopting bylaws and policy  
2 guidelines, and for providing advice and consultation to the Director and to the Program  
3 Manager.

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5 The Ratepayers Advisory Board shall meet at least once quarterly; recommend an  
6 annual work program and budget; address and discuss Ratepayer concerns and questions  
7 regarding the SoDo BIA and programs; review all reports to be submitted to the Director by the  
8 Program Manager; and sponsor an annual Ratepayers' meeting.

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10 At the annual Ratepayers' meeting, the Board shall submit for approval its proposed  
11 work plan and budget for the next year, and its recommendation regarding whether to continue  
12 with the current Program Manager. The work plan, budget, and recommendation regarding  
13 whether to continue with the current Program Manager must be approved by a majority vote of  
14 the Ratepayers attending the meeting and submitted to the Director.  
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17 **Section 13. Administration.** The Director shall administer the program for the City with  
18 authority to:

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20 A. Collect the special assessments; refund special assessments when overpaid or  
21 otherwise improperly collected; extend the deadline for payment and waive delinquency  
22 charges and interest whenever the delinquency results from extenuating circumstances  
23 beyond the Ratepayer's control, such as a casualty loss causing premature closure of the  
24 business or bankruptcy, or the total payment due to the City (exclusive of penalty and  
25 interest) is \$10 or less;  
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1 B. Calculate and collect the interest, penalties, and processing fees for late payments;

2 C. After receiving the recommendation of the interim Ratepayers Advisory Board,  
3 execute a program management contract with a Program Manager; and

4 D. Accept and deposit advance payment of assessments by ratepayers; accept donations  
5 from governmental agencies, the public, and owners and operators of businesses on land  
6 that is developed or redeveloped during the existence of the SoDo BIA for SoDo BIA  
7 programs.  
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9 **Section 14.** Contract for Program Management. The Director is authorized to contract  
10 with any local non-profit entity to act as the Program Manager. The Program Manager's duties,  
11 subject to the approval of the Ratepayers at each annual meeting, will be to manage the day-to-  
12 day operations of the SoDo BIA and to administer the projects and activities. It is the intent of  
13 the City Council that the Director contract with the SoDo Business Association as the initial  
14 Program Manager. The selection of a Program Manager upon the recommendation of the  
15 Ratepayers Advisory Board acting on behalf of the Ratepayers shall obviate compliance with the  
16 consultant selection procedures of Seattle Municipal Code Chapter 20.50 and Section 20.42.050.  
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19 **Section 15.** Commencement of Assessments. Assessments shall commence as of  
20 January 1, 2014, or on the effective date of this ordinance, whichever is later.  
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22 **Section 16.** Request to Disestablish. Upon a petition signed by Ratepayers that would  
23 pay 60 percent of the proposed special assessments, the Ratepayers Advisory Board shall request  
24 the City Council to disestablish the SoDo BIA in accordance with Chapter 35.87A RCW.  
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1           **Section 17.** Ratification and Confirmation. The making of contracts and expenditures  
2 and the sending of assessment notices pursuant to the authority and after passage but prior to the  
3 effective date of this ordinance are hereby ratified and confirmed.

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5           **Section 18.** This ordinance shall take effect and be in force 30 days after its approval by  
6 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
7 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

1 Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2013, and  
2 signed by me in open session in authentication of its passage this  
3 \_\_\_\_ day of \_\_\_\_\_, 2013.

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5 \_\_\_\_\_  
6 President \_\_\_\_\_ of the City Council

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8 Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2013.

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10 \_\_\_\_\_  
11 Michael McGinn, Mayor

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13 Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2013.

14  
15 \_\_\_\_\_  
16 Monica Martinez Simmons, City Clerk

17 (Seal)

18  
19 Attachment:

20 Exhibit A – SoDo BIA map  
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